

TOP REGIONAL INSIGHTS

Wellington's economy is generally seen as buoyant and has fared well through lockdown. The construction sector continues to be busy and large companies anticipate strong demand as far ahead as 2025.

Businesses were less panicked during this lockdown, with more knowledge and experience to support staff. However some businesses were severely affected, especially those that support events and venues, government travel, and those in retail and hospitality. Consumer spending fell 30 percent in the first week at Alert Level 4.

Staff resilience is thought to have been lower through this lockdown and the pandemic is taking a sizeable toll on university students' mental health. Demand for Employee Assistance Programme (EAP) services and student health services has been high, and the increased severity of student health problems is a huge challenge.

Widespread skills shortages continue to be a problem for employers and there is significant competition for talent and skills. For workers "it's a job seeker's market" and wages are going up. Skills shortages are driving some tech sector businesses to consider moving to Australia. In the accommodation, events, hospitality and retail sectors, "it's not clear how some will continue" as they face wage pressure, skills shortages and losses due to lockdown. However, around 18,350 people received a Job Seeker benefit from MSD in August 2021.

In the public sector, job growth and demand for skills is driving high turnover. Competition is pushing up salaries in the public service and "sucking people out" of local government elsewhere. Public servants are leaving permanent positions in favour of higher paid contracting roles, particularly after the announcement of pay freeze. Expectations have shifted too, with a growing number of people expecting flexibility, including the option of working from home.

Skills shortages are drawing people from other regions. One employer reported that all recent job applications were from Auckland. Construction and trades sub-contractors from outside the region are also providing services here. In Wairarapa, people are being attracted to farming work by the availability of accommodation on site.

TRENDS AT A GLANCE



Only 14% of 2017-2019 school leavers enrolled in Level 4-6 vocational education and training in Wellington region, yet we have widespread shortages of technically skilled people.



39% of 2017-2019 school leavers enrolled in degree level courses. But there is inequity: only 20% of Māori and 20% of Pasifika school leavers enrolled compared to 43% of Pākehā students.



86% of 2019 school leavers achieved NCEA Level 2+. Overall, 49% achieved University entrance, although fewer Māori and Pasifika students achieved University entrance. Of 2017-2019 school leavers 40% of Māori and 39% of Pasifika entered tertiary programs at L1 – 3.



93% of Kura Kaupapa 2019 school leavers achieved NCEA Level 2+, compared to 76% for Māori students in mainstream schools. 62% obtained university entrance, compared to 29% for Māori students in mainstream schools.

(Source: Ministry of Education, School Leavers & Youth – Experience and Obstacles presentation)

TOP LABOUR MARKET OPPORTUNITIES

- **Demand for infrastructure development in our region is increasing rapidly to support urban growth in Hutt City, Porirua, and Kāpiti.** We need more people with skills in infrastructure to support current and future growth. Hutt City and BCITO, along with the RSLG, are holding a forum in October to bring together key industry and training stakeholders to explore local issues and solutions.
- **The roll out of the vaccination programme has bolstered employment, especially for older workers and students.** Capital and Coast District Health Board, iwi and community health providers have hired staff in health and administrative roles.
- **Major construction companies are developing relationships with iwi and connecting with Māori businesses** through [Amotai](#) as they look to build their workforce and respond to social procurement measures. The relationship is creating employment opportunities for Rangatahi, and encouraging experienced Māori staff into higher value roles.
- **Ngāti Toa have established a number of joint venture companies** to channel rangatahi into higher value roles and build community wealth.

TOP LABOUR MARKET CHALLENGES

- **Teachers are leaving the Wellington region to work in areas where the cost of living is lower and housing is more affordable.** This is exacerbating the shortage of early childhood education and primary school teachers. There is also an acute shortage of teachers of Te Reo Māori and technology.
- **There is a high demand for vocational training in construction and trades, but too few mid-skilled people available to supervise or teach on the job.** The industry is constrained by the ratio of experienced staff to apprentices, and training providers are competing with industry for skilled people to work as tutors.
- **Nursing students and apprentices had difficulty continuing their study through Alert Level 4 and 3,** with some training providers slow to move courses online. This was seen as a lost opportunity for apprentices unable to work and with time on their hands. Delays in getting qualified have a flow on affect on pay because they remain on training rates for longer. Employers are asking "providers have had a year to sort this out. Why haven't they?"
- **There is concern about the number of registered nurses resigning from local roles to take up better paid work in Australia.** Retention of our existing workforce is a key challenge for the region.

WORK FOR DISABLED PEOPLE

There are many disabled people in the region available to fill skilled roles. Workbridge works with employers to understand disability, and build their disability confidence and capability. They are seeing growing interest among employers to support disabled staff.

Wellington City Council is recruiting young disabled people into a wide variety of roles through a dedicated 'Pathways to Employment' programme. Seventy percent of programme participants have become permanent employees. This programme is a good opportunity for other councils in our region to do more and Workbridge encourages their interest.

Common recruitment practices in large organisations, such as corporates and government organisations, are a barrier to employment for many disabled people. Automated recruitment tools, technology, and structured interview processes inadvertently exclude many disabled people.

Small to medium enterprises can take an agile and proactive approach towards hiring disabled people. There is an opportunity to connect with small businesses collectively to build their hiring confidence.

Disabled jobseekers often lose confidence after numerous knock backs. Many fear disclosure of a disability will result in exclusion. Workbridge works with job seekers to help them prepare and manage the challenges of recruitment processes and confidently present their skills to employers.

OUR FOCUS FOR THE NEXT 2 MONTHS:

- Preparing and discussing aspirations, themes and priorities for regional workforce planning
- Applying the principles of Te Tiriti to our work
- Learning about Iwi aspirations and initiatives in Kāpiti and Wairarapa
- Meeting with key stakeholders